



Manufacturing in Virginia

SIC 29, 31

**Petroleum and Leather
Products**



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Overall Assessment

- Two industries combined due to employment being insufficient to report separately.
- Ranked nineteenth (and last) in employment in 2000.
- Since 1979 industry's share of Virginia manufacturing employment has dropped by 70 percent.
- Virginia's share of national industry has dropped 44 percent since 1979.

Employment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
1979	4,100	17	455,500	17
2000	1,100	19	205,400	18

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment Trends

Absolute Employment Growth

	Virginia		U.S.	
	Absolute Employment Change	Rank	Absolute Employment Change	Rank
1979-2000	-3,000	12	-250,100	14

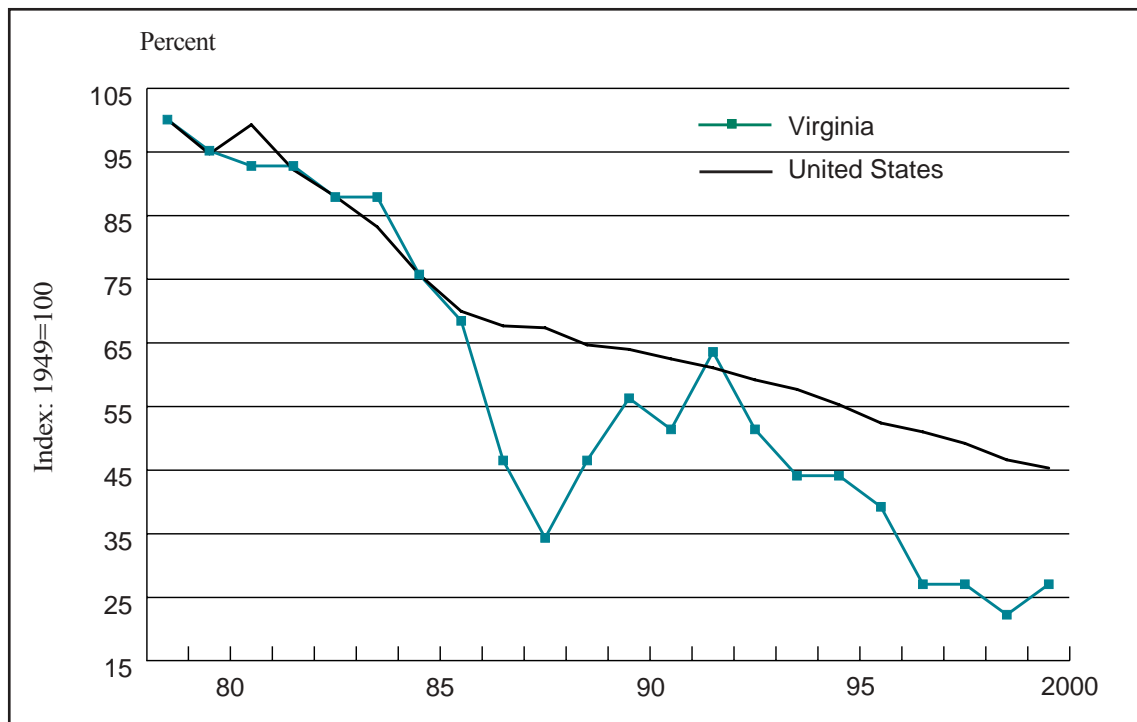
Source: U.S. Department of Labor, Bureau of Labor Statistics.

Relative Employment Growth

Virginia Annual Average Growth Rates		
	Growth Rate 1979-2000	Rank
Petroleum and Leather Products		
Virginia	-6.1%	19
U.S.	-3.7%	19
Nonagricultural Employment	2.4%	
Manufacturing	-0.3%	
Nondurable Goods	-0.9%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment Change 1979-2000



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Establishments

Number of Establishments

	Virginia		U.S.	
	Establishments	Rank	Establishments	Rank
Petroleum and Leather Products	41	18	4,444	18
Manufacturing	6,908	--	413,506	--
Petroleum and Leather Products as a % of Mfg.	0.6%		1.1%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment per Establishment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
Petroleum and Leather Products	26	16	47	12
Manufacturing	57	--	45	--

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Payroll

Payroll per Employee

	Virginia		U.S.	
	Payroll per Employee	Rank	Payroll per Employee	Rank
Petroleum and Leather Products	N/A	--	\$50,230	6
Manufacturing	\$35,767	--	\$41,941	--
Petroleum and Leather Products as a % of Mfg.	--		119.8%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

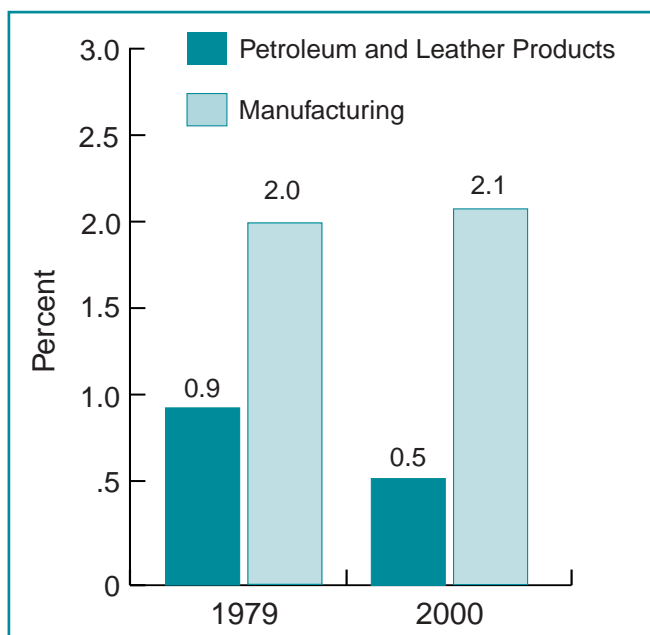
Exports

Virginia Exports		
	Petroleum and Leather Products	Manufacturing
2000	\$154,858,000	\$9,395,636,000
1995	\$128,494,000	\$9,294,115,000
Export Growth, 1995-2000	20.5%	1.1%
Share of Manufactured Goods Exports, 2000	1.6%	--

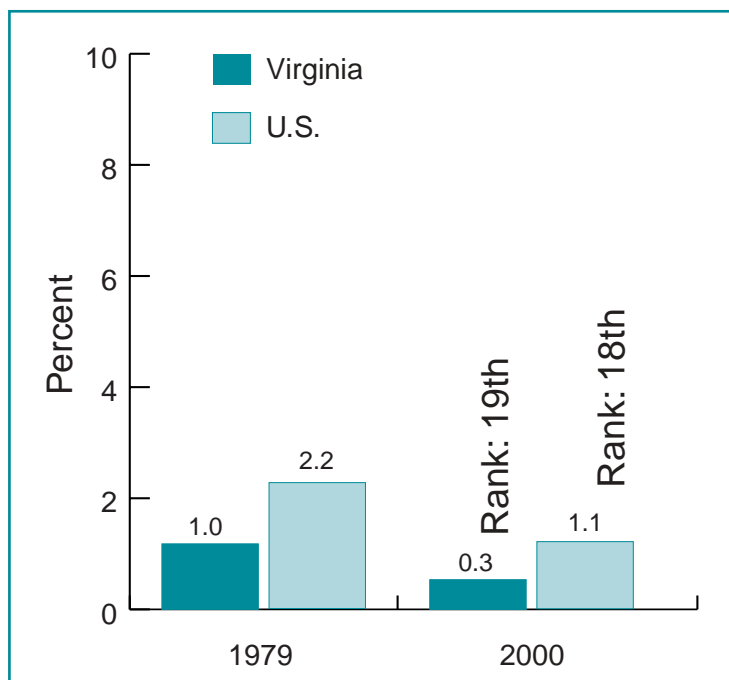
Source: U.S. Department of Commerce.

Industry Importance

Virginia's Share of National Petroleum and Leather Products Industry



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry's Share of Manufacturing Employment

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry Trends

Virginia employment distribution: N/A

- During the past decade, the U.S. refining industry has experienced low profitability, partially due to the rising cost of complying with environmental laws and the narrowing spread between final product prices and raw material costs.
- In recent years the single most important factor driving refining investment has been the environmental standards established by the Clean Air Act Amendment of 1990.
- The leather industry has traditionally been very labor intensive and therefore extremely vulnerable to foreign competitors paying lower wages. It would be fair to say that foreign competition has had a greater impact on the leather industry than any other from 1969 to 2000. Many weaker firms have been forced to close.
- By value, imports represent 76 percent of U.S. consumption of all leather products and 82 percent for nonrubber footwear and luggage.